

REGISTERED NUMBER: 08089269 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014
FOR
IP&E LIMITED

D.R.E. & Co. (Audit) Limited
Chartered Accountants & Statutory Auditors
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG
www.dre.co.uk

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Statement of Cash Flows	10
Notes to the Financial Statements	11
Income Statement Summaries	18

IP&E LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014

DIRECTORS:

M J Hyatt
T J Smith
M L Wood
S F Charmley

REGISTERED OFFICE:

The Shirehall
Abbey Foregate
Shrewsbury
Shropshire
SY2 6ND

REGISTERED NUMBER:

08089269 (England and Wales)

AUDITORS:

D.R.E. & Co. (Audit) Limited
Chartered Accountants & Statutory Auditors
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

IP&E LIMITED (REGISTERED NUMBER: 08089269)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their strategic report for the year ended 31 March 2014.

REVIEW OF BUSINESS

Within the financial year, the marketing and public relations department was transferred into IP&E Ltd from Shropshire Council. From April 2014, the business design & programme management department will be transferred into IP&E Ltd.

ON BEHALF OF THE BOARD:



.....
T J Smith - Director

Date: 26th September 2014

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report with the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of carrying out services on behalf of Shropshire Council.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2014.

DIRECTORS

M J Hyatt has held office during the whole of the period from 1 April 2013 to the date of this report.

Other changes in directors holding office are as follows:

K R Barrow - resigned 31 January 2014
T P Roehricht - resigned 17 June 2013
M J Owen - resigned 31 January 2014
Mrs E A Hartley - resigned 15 May 2013
L Chapman - appointed 12 June 2013 - resigned 31 January 2014
T J Smith - appointed 12 June 2013
M L Wood - appointed 31 January 2014
S F Charmley - appointed 31 January 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

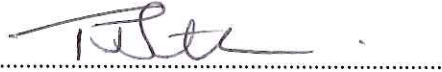
IP&E LIMITED (REGISTERED NUMBER: 08089269)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014

AUDITORS

The auditors, D.R.E. & Co. (Audit) Limited, will be proposed for re-appointment at the forthcoming Board Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in dark ink, appearing to read 'T J Smith', is written over a horizontal dotted line.

T J Smith - Director

Date: 26th September 2014

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
IP&E LIMITED (REGISTERED NUMBER: 08089269)**

We have audited the financial statements of IP&E Limited for the year ended 31 March 2014 on pages six to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Francis Nock FCCA (Senior Statutory Auditor)
for and on behalf of D.R.E. & Co. (Audit) Limited
Chartered Accountants & Statutory Auditors
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Date: 26th September 2014

IP&E LIMITED (REGISTERED NUMBER: 08089269)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Year Ended 31.3.14 £	Period 30.5.12 to 31.3.13 £
CONTINUING OPERATIONS			
Revenue		305,945	-
Cost of sales		<u>(8,398)</u>	<u>-</u>
GROSS PROFIT		297,547	-
Administrative expenses		<u>(411,251)</u>	<u>(69,791)</u>
OPERATING LOSS		(113,704)	(69,791)
Finance costs		<u>(997)</u>	<u>(11)</u>
LOSS BEFORE INCOME TAX	3	(114,701)	(69,802)
Income tax	4	<u>-</u>	<u>-</u>
LOSS FOR THE YEAR		(114,701)	(69,802)
OTHER COMPREHENSIVE INCOME			
Item that may be reclassified subsequently to profit or loss:			
Actuarial loss on pension valuation		(18,000)	(2,000)
Income tax relating to item of other comprehensive income		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME			
FOR THE YEAR, NET OF INCOME TAX		<u>(18,000)</u>	<u>(2,000)</u>
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		<u>(132,701)</u>	<u>(71,802)</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	<u>7,193</u>	<u>-</u>
CURRENT ASSETS			
Trade and other receivables	6	19,692	20,210
Cash and cash equivalents	7	<u>105,092</u>	<u>-</u>
		<u>124,784</u>	<u>20,210</u>
TOTAL ASSETS		<u>131,977</u>	<u>20,210</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	8	1	1
Retained earnings	9	<u>(204,503)</u>	<u>(71,802)</u>
TOTAL EQUITY		<u>(204,502)</u>	<u>(71,801)</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	10	91,008	90,011
Pension liability	11	<u>97,000</u>	<u>2,000</u>
		<u>188,008</u>	<u>92,011</u>
CURRENT LIABILITIES			
Trade and other payables	10	<u>148,471</u>	<u>-</u>
TOTAL LIABILITIES		<u>336,479</u>	<u>92,011</u>
TOTAL EQUITY AND LIABILITIES		<u>131,977</u>	<u>20,210</u>

The financial statements were approved by the Board of Directors on 26th September 2014 and were signed on its behalf by:



.....
T J Smith - Director

IP&E LIMITED (REGISTERED NUMBER: 08089269)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1	-	1
Total comprehensive income	<u>-</u>	<u>(71,802)</u>	<u>(71,802)</u>
Balance at 31 March 2013	<u>1</u>	<u>(71,802)</u>	<u>(71,801)</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>(132,701)</u>	<u>(132,701)</u>
Balance at 31 March 2014	<u><u>1</u></u>	<u><u>(204,503)</u></u>	<u><u>(204,502)</u></u>

The notes form part of these financial statements

IP&E LIMITED (REGISTERED NUMBER: 08089269)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

		Year Ended 31.3.14 £	Period 30.5.12 to 31.3.13 £
Cash flows from operating activities			
Cash generated from operations	1	94,636	(72,352)
Interest paid		<u>(997)</u>	<u>(11)</u>
Net cash from operating activities		<u>93,639</u>	<u>(72,363)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(7,193)</u>	<u>-</u>
Net cash from investing activities		<u>(7,193)</u>	<u>-</u>
 Cash flows from financing activities			
New loans in year - Group		-	90,011
Unused draw down		17,649	(17,649)
Interest on loan in year		997	-
Share issue		<u>-</u>	<u>1</u>
Net cash from financing activities		<u>18,646</u>	<u>72,363</u>
 Increase in cash and cash equivalents		<u>105,092</u>	<u>-</u>
Cash and cash equivalents at beginning of year	2	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	2	<u><u>105,092</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.3.14 £	Period 30.5.12 to 31.3.13 £
Loss before income tax	(114,701)	(69,802)
Finance costs	997	11
	(113,704)	(69,791)
Increase in trade and other receivables	(17,131)	(2,561)
Increase in trade and other payables	148,471	-
Difference between pension charge and cash contributions	77,000	-
Cash generated from operations	<u>94,636</u>	<u>(72,352)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31 March 2014

	31.3.14 £	1.4.13 £
Cash and cash equivalents	<u>105,092</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

As at the year end the Company had negative retained earnings of £189,503 - caused by the loss for the current year and previous period, after recognising the deficit on the defined benefit scheme. The Company is funded by Shropshire Council, and is reliant on the continued support of Shropshire Council to continue to trade. The council has given a guarantee for the deficit arising on the defined contribution scheme.

Revenue recognition

Revenue is recognised when it is probable that future economic benefit associated with the sale will flow to the company and it can be measured with reliability.

Property, plant and equipment

Computer equipment will be depreciated at 33% Straight line from 1 April 2014.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Employee benefit costs

The company operates a defined contribution scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

2. EMPLOYEES AND DIRECTORS

	Year Ended 31.3.14 £	Period 30.5.12 to 31.3.13 £
Wages and salaries	279,016	35,484
Social security costs	12,511	3,834
Other pension costs	77,754	4,152
	<u>369,281</u>	<u>43,470</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.3.14	Period 30.5.12 to 31.3.13
Management	3	1
Office staff	<u>10</u>	<u>-</u>
	<u>13</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

2. EMPLOYEES AND DIRECTORS - continued

	Year Ended 31.3.14	Period 30.5.12 to 31.3.13
	£	£
Directors' remuneration	78,085	35,484
Directors' pension contributions to money purchase schemes	-	4,152

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	-	1
------------------------	---	---

3. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	Year Ended 31.3.14	Period 30.5.12 to 31.3.13
	£	£
Cost of inventories recognised as expense	8,398	-
Auditors' remuneration	5,248	4,500
Other non-audit services	17,513	2,156

4. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2014 nor for the period ended 31 March 2013.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.3.14	Period 30.5.12 to 31.3.13
	£	£
Loss on ordinary activities before income tax	(114,701)	(69,802)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 20%)	(22,940)	(13,960)
Effects of:		
Current year losses	23,182	13,960
Expenses not deductible for tax purposes	17	-
Capital allowances in excess of depreciation for the period	(259)	-
Tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

4. INCOME TAX - continued

Tax effects relating to effects of other comprehensive income

		31.3.14	
	Gross £	Tax £	Net £
Actuarial loss on pension valuation	(18,000)	-	(18,000)
	<u>(18,000)</u>	<u>-</u>	<u>(18,000)</u>
		30.5.12 to 31.3.13	
	Gross £	Tax £	Net £
Actuarial loss on pension valuation	(2,000)	-	(2,000)
	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>

The company has trading losses to carry forward of £185,714.

5. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment £
COST	
Additions	<u>7,193</u>
At 31 March 2014	<u>7,193</u>
NET BOOK VALUE	
At 31 March 2014	<u>7,193</u>

6. TRADE AND OTHER RECEIVABLES

	31.3.14 £	31.3.13 £
Current:		
Trade debtors	16,829	-
Amounts owed by Shropshire Council	-	17,649
VAT	-	2,561
Prepayments	<u>2,863</u>	<u>-</u>
	<u>19,692</u>	<u>20,210</u>

7. CASH AND CASH EQUIVALENTS

	31.3.14 £	31.3.13 £
Bank deposit account	<u>105,092</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.3.14	31.3.13
Number:	Class:		£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

9. RESERVES

	Retained earnings £
At 1 April 2013	(71,802)
Deficit for the year	(114,701)
Defined pension benefit scheme	<u>(18,000)</u>
At 31 March 2014	<u>(204,503)</u>

10. TRADE AND OTHER PAYABLES

	31.3.14	31.3.13
	£	£
Current:		
Trade creditors	87,664	-
Other creditors	3,842	-
Accrued expenses	30,759	-
VAT	<u>26,206</u>	<u>-</u>
	<u>148,471</u>	<u>-</u>
Non-current:		
Amounts owed to Shropshire Council	<u>91,008</u>	<u>90,011</u>
Aggregate amounts	<u>239,479</u>	<u>90,011</u>

11. EMPLOYEE BENEFIT OBLIGATIONS

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	31.3.14	31.3.13
	£	£
Current service cost	27,000	-
Past service cost	<u>-</u>	<u>-</u>
	<u>27,000</u>	<u>-</u>
Actual return on plan assets	<u>18,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.3.14	31.3.13
	£	£
Opening defined benefit obligation	11,000	-
Current service cost	27,000	-
Members contributions	12,000	11,000
Interest cost	15,000	-
Actuarial losses/(gains)	21,000	-
Business combinations	491,000	-
	<u>577,000</u>	<u>11,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.3.14	31.3.13
	£	£
Opening fair value of scheme assets	9,000	-
Interest on plan assets	15,000	-
Administration expenses	(1,000)	-
Contributions by employer	19,000	9,000
Member contributions	12,000	-
Actuarial gains/(losses)	3,000	-
Business combinations	423,000	-
	<u>480,000</u>	<u>9,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.14	31.3.13
	£	£
Equities - UK Quoted	39,000	2,000
Equities - Global Quoted	223,000	4,000
Bonds - UK Government Indexed	48,000	1,000
Bonds - Overseas Gov. Fixed	67,000	1,000
Property Funds	19,000	-
Alternatives - Private Equity	20,000	-
Alternatives - Infrastructure	4,000	-
Alternatives - Hedge Funds	48,000	1,000
Cash Accounts	12,000	-
	480,000	9,000

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	31.3.14	31.3.13
Discount rate	4.70%	-
Future salary increases	4.00%	-
Future pension increases	2.50%	-
Rate of CPI inflation	2.50%	-

The post retirement mortality assumptions used to value the benefit obligation at 31 March 2014 are based on the S1PA

Sensitivity Analysis

	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
		+ 0.1% p.a. discount rate	+ 0.1% p.a. inflation	+ 0.1% p.a. pay growth	1 year increase in life expectancy
	£000s	£000s	£000s	£000s	£000s
Liabilities	577	559	596	587	587
Assets	(480)	(480)	(480)	(480)	(480)
Deficit/(Surplus)	97	79	116	107	107
Projected Service Cost for next year	47	45	49	47	48
Projected Net Interest Cost for next year	3	2	4	4	4

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

12. RELATED PARTY DISCLOSURES

Shropshire Council

Owner of 100% of the issued share capital.

In the previous financial period, the Company entered into a loan agreement for an unsecured loan facility of up to £500,000 with Shropshire Council. As at the year end the Company had drawn funds of £90,000 from Shropshire Council. Interest of £997 (2013: £11) has been charged by Shropshire Council. The loan is repayable in instalments commencing on 25 April 2015.

In the year, sales of £314,081 (2013: Nil) were made to Shropshire Council and purchase recharges of £200,017 (2013: £67,401) were incurred.

The total amount due to Shropshire Council at the period end is £183,496 (2013: £72,362).

During the year members of a defined benefit scheme were tupe'd across. The council has given a guarantee to fund any deficit arising on those transferred in to the scheme.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party and parent is Shropshire Council, by virtue of its majority shareholding. Consolidated group accounts can be obtained from Shropshire Council, The Shirehall, Abbey Foregate, Shrewsbury, Shropshire.

INCOME STATEMENT SUMMARIES
FOR THE YEAR ENDED 31 MARCH 2014

	Year Ended 31.3.14 £	Period 30.5.12 to 31.3.13 £
REVENUE		
Sales	<u>305,945</u>	<u>-</u>
	<u>305,945</u>	<u>-</u>
COST OF SALES		
Purchases	<u>8,398</u>	<u>-</u>
	<u>8,398</u>	<u>-</u>
ADMINISTRATIVE EXPENSES		
Administrative expenses		
Directors' salaries	78,085	35,484
Directors' pension contributions	-	4,152
Wages	200,931	-
Social security	12,511	3,834
Pensions	77,754	-
Telephone	1,501	57
Printing, postage & stationery	396	255
Marketing	2,471	-
Travel & accommodation	5,384	1,040
Licences and insurance	3,710	2,007
Training	-	695
Sundry expenses	754	-
Computer costs	3,082	760
Consultancy	-	10,000
Entertaining	84	-
Legal & professional	1,753	4,851
Auditors' remuneration	5,248	4,500
Auditors' remuneration for non audit work	17,513	2,156
Finance costs		
Bank charges	<u>74</u>	<u>-</u>
	<u>411,251</u>	<u>69,791</u>
FINANCE COSTS		
Loan	<u>997</u>	<u>11</u>
	<u>997</u>	<u>11</u>